



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 2

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DEC 02 2014

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First St. NE, Room 1A
Washington, D.C. 20426

Reference: Docket Nos. CP13-499; CP13-502-000; PF12-9-000

Dear Ms. Bose:

The U.S. Environmental Protection Agency has reviewed the final environmental impact statement (FEIS) for the Constitution Pipeline and Wright Interconnect Projects (CEQ # 20140312). The proposed pipeline would extend from Susquehanna County, Pennsylvania to the existing Tennessee Gas Pipeline Company and Iroquois systems in Schoharie County, New York. The proposed compressor station would be located at the existing Wright Compressor Station in Schoharie County, New York. This review was conducted in accordance with our responsibilities under Section 309 of the Clean Air Act and the National Environmental Policy Act (NEPA).

The Constitution Pipeline project entails the construction and operation of 124.4 miles of new 30-inch-diameter natural gas pipeline and associated equipment and facilities in Pennsylvania and New York. Constitution also proposed to construct and operate two new metering and regulating (M&R) stations; two tie-ins, and 11 mainline valves; and would install a pig launcher and a pig receiver at the M&R stations. The Wright Interconnect Project would involve the construction and operation of new compressor facilities adjacent to as well as modifications to Iroquois' existing Wright Compressor Station. Iroquois' proposed expansion would be constructed completely within the property boundaries of the existing Wright Compressor Station. The proposed pipeline and interconnect projects would deliver up to 650,000 dekatherms per day (Dth/d) of natural gas supply from Susquehanna County, Pennsylvania ultimately to markets in New York and New England.

EPA's comments are enclosed; we hope you find our comments useful for this project as well as potential future projects and their associated NEPA documents. If you have any questions regarding this review, please contact Lingard Knutson of my staff at (212) 637-3747.

Sincerely,

A handwritten signature in blue ink, reading "Judy-Ann Mitchell", is written over the typed name.

Judy-Ann Mitchell, Chief
Sustainability and Multimedia Programs Branch

Enclosure

EPA Comments
Constitution Pipeline and Wright Interconnect Projects Final Environmental Impact
Statement (FERC EIS 0249F)

Forest Management and Migratory Bird Conservation

EPA acknowledges that FERC staff are recommending a condition that will require Constitution to develop a Migratory Bird and Upland Forest Plan, in consultation with the U.S. Fish and Wildlife Service, as well as state resources agencies. In addition, Constitution will deposit funds in an account to use for the conservation of migratory bird habitat, the total value of which will be determined in coordination with the U.S. Fish and Wildlife Service and relevant state resource agencies. To help ensure that the funds deposited are adequate to offset the loss of habitat and ensure that the appropriate measures to address specific losses are taken, EPA recommends that a Habitat Equivalency Analysis (HEA) be conducted in consultation with the U.S. Fish and Wildlife Service and the relevant state resource agencies.

Wetlands Impacts

EPA understands that final wetland impacts and mitigation are being discussed with the U.S. Army Corps of Engineers (Corps) and the New York State Department of Conservation. EPA will continue to work with the Corps under our Clean Water Act authorities to avoid and minimize impacts. We do note a slight discrepancy in impacted wetland acreages in the FEIS: page 4-61 states that Constitution would impact a total of 94.8 acres of wetlands, while Page 4-62 states that the project would impact a total of 95.3 acres of wetlands.

Greenhouse Gas Emissions

EPA notes that the FEIS (page 4-256) indicates that GHG emissions from the project would not have any direct impacts on the local environment. EPA recommends against describing the potential impacts of GHGs in terms of direct, indirect, or cumulative impacts to specific locations because GHGs disperse rapidly and influence climate on a global scale. For environmental review purposes, EPA believes the estimated levels of GHGs emitted or induced by a proposal and reasonable alternatives represent a reasonable proxy for impacts. Moreover, comparing these GHG estimates provides the information necessary for a reasoned choice among alternatives with respect to GHG risks.

In addition, EPA recommends against the approach in the FEIS of comparing the emissions from the pipeline and compressor station to global emissions and total reported U.S. emissions. Because climate change is a cumulative result of disparate sources, any one of which may appear insignificant when compared to overall emissions, comparing GHG emissions associated with a single project to aggregated emission estimates does not provide useful information. Such comparisons do not address the impact of a project in a manner useful to decision makers or the public; the relevant comparison for NEPA purposes is between the proposal and project alternatives (or mitigation).

As noted in the FEIS in response to a commenter, the impacts of incremental GHG emissions may be monetized using the federal social cost of carbon (SCC) estimates. However, there were some inaccuracies in your response to that commenter. The SCC estimates were developed by an interagency effort led by the Executive Office of the President, not by EPA. Multiple Federal agencies have used the estimates to assess the costs and benefits of alternatives in rulemakings. Estimation of the SCC is a standard methodology for monetizing the damages associated with relatively small incremental contributions to GHG emissions and their physical effects on the global environment. These social cost of carbon estimates account for uncertainty in many dimensions through probabilistic analysis, multi-model comparisons, and by including a range of four estimates; not only the three reflecting different discount rates referenced in the FEIS, but also the 95th percentile estimate at a three percent discount rate intended to reflect the risks from higher than anticipated damages from climate change.¹

Water Usage

The FEIS clarified that Constitution would require approximately 286,000 gallons of water to test each Direct Pipe segment, however these water volumes were not included in Table 4.3.3-5 ("Proposed Hydrostatic Test Water Sources and Discharge Locations for the Proposed Projects").

Mud Pits

The FEIS indicates that "mud pits" will be used to remove drill cuttings from the Direct Pipe installations, however there is no assessment of any potential environmental impacts associated with their construction and use.

1. See the November 2013 Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis at <http://www.whitehouse.gov/sites/default/files/omb/assets/inforeg/technical-update-social-cost-of-carbon-for-regulator-impact-analysis.pdf>